CST collection during 2004-05 was around Rs. 15,100 crores. The Empowered Committee of State Finance Ministers (EC) is presently deliberating upon the issue of phasing out of the CST and is expected to make a recommendation to the Central Government. The EC is deliberating upon the various options for compensating the revenue loss on account of phasing out of CST including giving the States larger share/powers in respect of taxation of services. Once the EC finalise its recommendations, the Central Government will take a view in this matter.

Ban on charitable trusts from External Commercial Borrowings

2942. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether charitable trusts are banned out of External Commercial Borrowings;

(b) if so, the reasons therefore;

(c) whether Government are aware that with this charitable trusts especially in health care sector would be put to difficulties; and

(d) if so, the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Under the External Commercial Borrowings (ECB) policy, Charitable Trusts are not eligible to raise ECB. However, a Charitable Trust if it is a Non-Government Organization and is engaged in micro-finance activities, is eligible to access ECB subject to guidelines issued by Reserve Bank of India.

Setting up of Institute of Insurance Surveyors

2943. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether Insurance Regulatory Development Authority has set up an Institute of Insurance Surveyors; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.